



J LOGO HOLDINGS LIMITED

聚利寶控股有限公司

*(incorporated in the Cayman Islands with limited liability)*

Stock Code: 8527

THIRD  
QUARTERLY  
REPORT  
2020





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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### Executive Directors

Ms. LOW Yeun Ching @Kelly Tan  
(*Chairlady and Chief Executive Officer*)  
Mr. Sean LOW Yew Hong (Sean Liu Yaoxiong)  
Mr. CHIU Ka Wai

### Independent Non-executive Directors

Mr. LU King Seng  
Mr. LEE Alex Jao Jang  
Mr. LIM Yeok Hua

## AUDIT COMMITTEE

Mr. LU King Seng (*Chairman*)  
Mr. LEE Alex Jao Jang  
Mr. LIM Yeok Hua

## REMUNERATION COMMITTEE

Mr. LIM Yeok Hua (*Chairman*)  
Mr. LEE Alex Jao Jang  
Ms. LOW Yeun Ching @Kelly Tan

## NOMINATION COMMITTEE

Ms. LOW Yeun Ching @Kelly Tan (*Chairlady*)  
Mr. LEE Alex Jao Jang  
Mr. LIM Yeok Hua

## COMPLIANCE OFFICER

Ms. LOW Yeun Ching @Kelly Tan

## COMPANY SECRETARY

Mr. CHAN Pui Hang

## AUTHORISED REPRESENTATIVES

Ms. LOW Yeun Ching @Kelly Tan  
Mr. CHAN Pui Hang

## AUDITOR

Ernst & Young LLP, Singapore  
*Public Accountants and Chartered Accountants,*  
Singapore  
One Raffles Quay  
North Tower #18-01  
Singapore 048583

## COMPLIANCE ADVISER

Messis Capital Limited  
Room 1606, 16/F, Tower 2  
Admiralty Centre  
18 Harcourt Road  
Hong Kong

## PRINCIPAL BANKS

DBS Bank Limited  
12 Marina Boulevard  
Marina Bay Financial Centre Tower 3  
Singapore 018982

Malayan Banking Berhad  
Level 14, Menara Maybank  
100 Jalan Tun Perak  
50050 Kuala Lumpur  
Malaysia



## **HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE**

Tricor Investor Services Limited  
Level 54, Hopewell Centre  
183 Queen's Road East  
Hong Kong

## **PRINCIPAL PLACE OF BUSINESS AND HEADQUARTERS IN SINGAPORE**

124, Lorong 23 Geylang  
#10-01 and #10-02 Arcsphere  
Singapore 388405

## **REGISTERED OFFICE IN THE CAYMAN ISLANDS**

PO Box 1350  
Clifton House  
75 Fort Street  
Grand Cayman KY1-1108  
Cayman Islands

## **PRINCIPAL PLACE OF BUSINESS IN HONG KONG UNDER PART 16 OF THE COMPANIES ORDINANCE (CAP. 622)**

Room 901, 9/F  
Prosperity Tower  
39 Queen's Road Central  
Central, Hong Kong

## **STOCK CODE**

8527

## **COMPANY'S WEBSITE ADDRESS**

[www.jlogoholdings.com](http://www.jlogoholdings.com)

## THIRD QUARTERLY RESULTS

The board of Directors of the Company (the “**Board**”) is pleased to report the unaudited condensed consolidated financial results of the Company and its subsidiaries (collectively, the “**Group**”) for the three months and nine months ended 30 September 2020 with comparative unaudited figures for the corresponding period in 2019 as follows.

## UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months and nine months ended 30 September 2020

	Notes	Three months ended 30 September		Nine months ended 30 September	
		2020 S\$'000 (Unaudited)	2019 S\$'000 (Unaudited)	2020 S\$'000 (Unaudited)	2019 S\$'000 (Unaudited)
<b>Revenue</b>	3	<b>3,619</b>	5,608	<b>8,570</b>	15,065
Cost of inventories sold and consumed		<b>(961)</b>	(1,447)	<b>(2,366)</b>	(4,016)
<b>Gross profit</b>		<b>2,658</b>	4,161	<b>6,204</b>	11,049
Other income and gains, net	3	<b>589</b>	56	<b>2,344</b>	218
Employee benefits expense		<b>(1,425)</b>	(1,966)	<b>(4,239)</b>	(5,478)
Depreciation of property, plant and equipment		<b>(239)</b>	(263)	<b>(706)</b>	(705)
Depreciation of right-of-use assets		<b>(1,040)</b>	(924)	<b>(3,129)</b>	(2,253)
Amortisation of an intangible asset		<b>(12)</b>	(12)	<b>(36)</b>	(36)
Rentals and related expenses		<b>(47)</b>	(331)	<b>(200)</b>	(1,177)
Utility expenses		<b>(136)</b>	(270)	<b>(558)</b>	(739)
Marketing and advertising expenses		<b>(7)</b>	(41)	<b>(21)</b>	(68)
Other expenses		<b>(446)</b>	(687)	<b>(1,646)</b>	(2,144)
Finance costs		<b>(152)</b>	(109)	<b>(469)</b>	(333)
<b>LOSS BEFORE TAX</b>		<b>(257)</b>	(386)	<b>(2,456)</b>	(1,666)
Income tax expense	4	<b>(6)</b>	(13)	<b>(34)</b>	(39)
<b>LOSS FOR THE PERIOD</b>		<b>(263)</b>	(399)	<b>(2,490)</b>	(1,705)
<b>OTHER COMPREHENSIVE INCOME/(LOSS)</b>					
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation of foreign operations		<b>(52)</b>	56	<b>61</b>	37
<b>OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD, NET OF TAX</b>		<b>(52)</b>	56	<b>61</b>	37
<b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX</b>		<b>(315)</b>	(343)	<b>(2,429)</b>	(1,668)
<b>LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT</b>	6				
– Basic (S\$ cents)		<b>(0.05)</b>	(0.08)	<b>(0.50)</b>	(0.34)
– Diluted (S\$ cents)		<b>N/A</b>	N/A	<b>N/A</b>	N/A

# UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the nine months ended 30 September 2020

	Share capital S\$'000	Share premium S\$'000	Merger reserve S\$'000	Exchange fluctuation reserve S\$'000	Accumulated losses S\$'000	Total S\$'000
<b>At 1 January 2020 (audited)</b>	<b>869</b>	<b>13,311</b>	<b>1,735</b>	<b>20</b>	<b>(7,849)</b>	<b>8,086</b>
Loss for the period	–	–	–	–	(2,490)	(2,490)
Other comprehensive loss for the period:						
Exchange differences on translation of foreign operations	–	–	–	61	–	61
<b>Total comprehensive loss for the period</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>61</b>	<b>(2,490)</b>	<b>(2,429)</b>
<b>At 30 September 2020 (unaudited)</b>	<b>869</b>	<b>13,311</b>	<b>1,735</b>	<b>81</b>	<b>(10,339)</b>	<b>5,657</b>
<b>At 1 January 2019 (audited)</b>	<b>869</b>	<b>13,311</b>	<b>1,735</b>	<b>25</b>	<b>(4,977)</b>	<b>10,963</b>
Loss for the period	–	–	–	–	(1,705)	(1,705)
Other comprehensive loss for the period:						
Exchange differences on translation of foreign operations	–	–	–	37	–	37
<b>Total comprehensive income/(loss) for the period</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>37</b>	<b>(1,705)</b>	<b>(1,668)</b>
<b>At 30 September 2019 (unaudited)</b>	<b>869</b>	<b>13,311</b>	<b>1,735</b>	<b>62</b>	<b>(6,682)</b>	<b>9,295</b>

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended 30 September 2020

## 1. GENERAL INFORMATION

The Company is an exempted company with limited liability incorporated in the Cayman Islands on 22 May 2017. The registered office of the Company is situated at PO Box 1350, Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands. The principal place of business in Hong Kong under Part 16 of the Companies Ordinance (Cap. 622 of the Laws of Hong Kong) is at Room 901, 9th Floor, Prosperity Tower, 39 Queen's Road Central, Central, Hong Kong.

The Company's shares were listed on GEM of the Stock Exchange on 9 May 2018.

The Company is an investment holding company. The Company's subsidiaries are principally engaged in the business of:

- (1) Asian full services restaurant operations in Singapore; and
- (2) Artisanal bakery chains in Malaysia.

## 2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRSs**"), which include all International Financial Reporting Standards, International Accounting Standards ("**IASs**") and interpretations issued by the International Accounting Standards Board (the "**IASB**"), and the disclosure requirements of accounting principles generally accepted in Hong Kong and the Hong Kong Companies Ordinance.

The unaudited condensed consolidated financial statements have been prepared under the historical cost convention. The unaudited condensed consolidated financial statements are presented in Singapore dollar ("**SGD**" or "**S\$**") and all values in the tables are rounded to the nearest thousand ("**S\$'000**"), except where otherwise indicated.

The basis of preparation and accounting policies adopted in the preparation of the unaudited condensed consolidated financial statements for the nine months ended 30 September 2020 are consistent with those adopted in the preparation of the of the Group's consolidated financial statements for the year ended 31 December 2019 included in the 2019 Annual Report.

The Group has not adopted the new and revised IFRSs, which have been issued but are not yet effective.

### Basis of consolidation

The unaudited condensed consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "**Group**") for the nine months ended 30 September 2020. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).



When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group. All intra-group income and expenses relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, or the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

### 3. REVENUE, AND OTHER INCOME AND GAINS

Revenue represents the amounts received and receivable from the Group's operation and management of restaurants and bakery retail outlets, net of discounts. An analysis of the Group's revenue, other income and gains is as follows:

	Three months ended 30 September		Nine months ended 30 September	
	2020	2019	2020	2019
	S\$'000	S\$'000	S\$'000	S\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>Revenue</b>	<b>2,712</b>	4,259	<b>6,344</b>	11,298
Dining operations				
Artisanal bakery:				
– sale of bread and flour				
confectionery products	<b>902</b>	1,338	<b>2,211</b>	3,740
– franchise and royalty fee income	<b>5</b>	11	<b>15</b>	27
	<b>3,619</b>	5,608	<b>8,570</b>	15,065
<b>Other income and gains</b>				
Government grants	<b>340</b>	34	<b>1,153</b>	119
Interest income	<b>28</b>	48	<b>88</b>	97
Rental relief	<b>246</b>	–	<b>1,115</b>	–
Others	<b>(25)</b>	(26)	<b>(12)</b>	2
	<b>589</b>	56	<b>2,344</b>	218

## 4. INCOME TAX EXPENSE

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

Pursuant to the rules and regulations of the Cayman Islands, the Company is not subject to any income tax in the Cayman Islands.

Subsidiaries in Singapore and Malaysia are subject to taxation at rates of 17% and 24% on the estimated profits arising in Singapore and Malaysia, respectively for the nine months ended 30 September 2020 and 2019.

	Three months ended 30 September		Nine months ended 30 September	
	2020 S\$'000 (Unaudited)	2019 S\$'000 (Unaudited)	2020 S\$'000 (Unaudited)	2019 S\$'000 (Unaudited)
Current income tax	6	13	34	39
Tax expense for the period	6	13	34	39

## 5. DIVIDENDS

The Board did not recommend the payment of any interim dividend for the nine months ended 30 September 2020 (nine months ended 30 September 2019: Nil).

## 6. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of basic loss per share is based on the following data:

	Three months ended 30 September		Nine months ended 30 September	
	2020 S\$'000 (Unaudited)	2019 S\$'000 (Unaudited)	2020 S\$'000 (Unaudited)	2019 S\$'000 (Unaudited)
<b>Loss for the period</b>	<b>(263)</b>	(399)	<b>(2,490)</b>	(1,705)
Weighted average number of ordinary Shares ('000)	<b>500,000</b>	500,000	<b>500,000</b>	500,000

Basic loss per share for the nine months ended 30 September 2020 is S\$(0.50) cents (nine months ended 30 September 2019: S\$(0.34) cents).

The Group had no potentially dilutive ordinary share in issue for the nine months ended 30 September 2020 and 2019.

## 7. EVENTS AFTER THE END OF THE REPORTING PERIOD

There were no important events affecting the Group that have occurred after the end of the reporting period and up to the date of this report.



# MANAGEMENT DISCUSSION AND ANALYSIS

## BUSINESS REVIEW

We are a food and beverage group which owns and operates award-winning restaurants in Singapore under different brands and owns one of the largest artisanal bakery chains in Malaysia in terms of revenue and the number of bakery retail outlets in Malaysia. We operate our dining operations in Singapore under two self-owned brands and one franchised brand. Our “Central Hong Kong Café” brand is primarily focused on offering a casual and authentic Cha Chaan Teng experience in a full service environment while our “Black Society” brand offers Chinese cuisines with a contemporary twist in a full service environment. The franchised “Greyhound Café” brand provides stylish and trendy ambience which serves a specialised Thai menu with creative twists. Our artisanal bakery chain in Malaysia offers a wide selection of artisan breads, pastries and cakes under our “Bread Story” brand.

We believe that our Group is competitively positioned based on our operating history of more than ten years, our strong brand recognition and reputation, diversified customer base, innovative product offerings, unique dining experience and experienced management. In addition, the locations of our restaurants in Singapore and our bakery retail outlets in Malaysia are vital to our Group’s strategy of targeting areas which are high in customer traffic and easily accessible by our target customers that will help in promoting our brands image and awareness.

## OUTLOOK

The Company’s shares (the “**Shares**”) were successfully listed on GEM of the Stock Exchange on 9 May 2018 (the “**Listing Date**”) by way of share offer of a total of 125,000,000 Shares, at the offer price of HK\$0.50 per Share (the “**Share Offer**”). The amount of net proceeds from the Share Offer received by the Company was approximately HK\$23.7 million.

The Directors believe that the listing of the Company on GEM of the Stock Exchange (the “**Listing**”) would facilitate the implementation of our business plans to capture more market share in the industry. The Listing would (i) strengthen our Group’s corporate profile; (ii) provide a fund-raising platform for our Group; and (iii) diversify our shareholder base.

The outbreak of the novel coronavirus pandemic (“**COVID-19**”) and the corresponding anti-pandemic measures implemented by the authorities such as social distancing, self-isolation and city-wide lockdown which had adverse impacts on the number of customers in visiting our restaurants and bakery outlets where we have seen a sharp decline in terms of consumer spending starting from the beginning of February 2020, and the extent of the impact on the Group’s financial performance and operations cannot be determined at this stage as the duration and extent of the damage impacted by COVID-19 is still uncertain, we have thus halted our expansion plans, and our expenditure is carefully monitored to maintain a healthy cashflow and focus our resources in sustaining our current operations.

As at the date of this report, Singapore is in the transition to Phase Three of reopening of economy and with the potential additional support and relaxation of more safe management measures, it is expected to have a positive impact on the retail sector in Singapore. Whereas in Malaysia, the country is entering the third wave of the COVID-19 pandemic, with restricted movement imposed, our bakery outlets sales will be impacted by the reduced footfall in the fourth quarter of year 2020.

We urge our shareholders to be patient and have faith in our management where looking after the interest of all our stakeholders remains key.





## FINANCIAL REVIEW

### Revenue

Our revenue decreased by approximately S\$6.50 million or 43.1% from approximately S\$15.07 million for the nine months ended 30 September 2019 to S\$8.57 million for the nine months ended 30 September 2020. The decrease in our revenue was primarily due to the impact of COVID-19 and the corresponding anti-pandemic measures implemented by the authorities. During the third quarter of 2020, with the easing of safe management measure, the Group has resumed business operations of all outlets, the management of the Company continue focus on marketing efforts to capture recovery sales from returning office workers and shoppers.

### Cost of inventories sold and consumed

Our cost of inventories sold and consumed decreased by approximately S\$1.65 million or 41.1% from approximately S\$4.02 million for the nine months ended 30 September 2019 to approximately S\$2.37 million for the nine months ended 30 September 2020. The decrease in our cost of inventories sold and consumed was in line with the decrease in revenue.

### Other income

Our other income increased by approximately S\$2.13 million or 975.2% from approximately S\$0.22 million for the nine months ended 30 September 2019 to approximately S\$2.34 million for the nine months ended 30 September 2020. The significant increase in our other income largely comprised the job support grants and property tax rebate received from the local government as well as the rental assistance from the landlords.

### Employee benefits expense

Our employee benefits expense decreased by approximately S\$1.24 million or 22.6% from approximately S\$5.48 million for the nine months ended 30 September 2019 to approximately S\$4.24 million for the nine months ended 30 September 2020. The decrease in our employee benefits expense was primarily due to cost saving measures including non-bonus accruals, minimal use of casual workers, and lesser overtime hours due to shorter operating hours.

### Depreciation of right-of-use assets

Depreciation of right-of-use assets increased by approximately S\$0.88 million or 38.9% from approximately S\$2.25 million for the nine months ended 30 September 2019 to approximately S\$3.13 million for the nine months ended 30 September 2020. The increase was mainly due to increase in recognition of right-of-use assets arisen from new leases entered and renewal of existing leases thus resulted the increase in recognition of lease related depreciation.

### Rentals and related expense

Rentals and related expenses primarily consist of rentals from the short-term leases and variable rents, our rentals and related expenses has decreased significantly by approximately S\$0.98 million or 83.0% from approximately S\$1.18 million for the nine months ended 30 September 2019 to approximately S\$0.20 million for the nine months ended 30 September 2020. Such decrease was mainly due to the decrease in rental contribution from the available short-term leases and lower variable rents as a result of the reduced revenue.

### Other expenses

Other expenses primarily consist of legal and professional fees, cleaning fee, repair and maintenance expenses, kitchen and bar utensils expenses, bank charges relating to credit card settlement, unrealised foreign currency exchange losses and other miscellaneous expenses. Our other expenses had decreased by S\$0.50 million from approximately S\$2.14 million for the nine months ended 30 September 2019 to approximately S\$1.65 million for the nine months ended 30 September 2020. The decrease was as a result of the cost saving measures implemented by the management of the Company.

### Loss for the period

Our Group recorded a loss of approximately S\$2.49 million and S\$1.71 million for the nine months ended 30 September 2020 and 2019, respectively. The loss for the nine months ended 30 September 2020 was mainly attributable to the overall decrease in revenue due to the impact of COVID-19. However, the adverse impact was partially mitigated by the rent concessions and grants obtained from landlords and the government of Singapore and Malaysia, respectively.

## USE OF PROCEEDS FROM THE SHARE OFFER

The amount of the net proceeds from the Share Offer received by the Company, after deducting the expenses related to the Share Offer payable by the Company, is approximately HK\$23.7 million. The Company intends to apply such net proceeds for the following purposes:

	Total HK\$'million	Approximate Percentage of net proceeds %
Continue to expand our dining operations in Singapore	18.1	76.4
Setting up new head office and enhance our workforce	3.2	13.5
Further enhance our brand recognition in Singapore and Malaysia	0.2	0.8
Upgrade our information technology systems	0.2	0.8
General working capital	2.0	8.5
<b>Total</b>	<b>23.7</b>	<b>100</b>

Up to 30 September 2020, the Group has applied the net proceeds as follows:

	Proposed amount to be used up to 30 September 2020 HK\$'million	Actual usage up to 30 September 2020 HK\$'million	Unutilised net proceeds up to 30 September 2020 HK\$'million
Continue to expand our dining operations in Singapore	18.1	12.8	5.3
Setting up new head office and enhance our workforce	3.2	2.2	1.0
Further enhance our brand recognition in Singapore and Malaysia	0.2	0.2	–
Upgrade our information technology systems	0.2	0.2	–
General working capital	2.0	2.0	–
<b>Total</b>	<b>23.7</b>	<b>17.4</b>	<b>6.3</b>

For further details of the Group's intended use of the net proceeds from the Share Offer, please refer to the section headed "Future Plans and Use of Proceeds" in the Prospectus. The business objectives, future plans and planned use of proceeds as stated in the Prospectus were based on the best estimation and assumption of future market conditions made by the Group at the time of preparing the Prospectus while the proceeds were applied based on the actual development of the Group's business. As at the date of this report, the unutilised net proceeds have been temporarily placed as short term deposits with licensed institutions in Hong Kong and Singapore.

For the unutilised net proceeds up to 30 September 2020, the Company intends to use them in the same manner and proportions as described in the Prospectus and the announcement of the Company dated 19 July 2019 in relation to the change in use of proceeds. The completion time will be based on the future development of the Company.

During the period up to 30 September 2020, there was an unutilised net proceeds of approximately HK\$6.3 million, the reason for the delay in the use of proceeds is mainly due to the reduction in the pace of the Group's expansion as a result of the unfavourable condition in the Singapore food and beverage market. The Group has confirmed a new location to open new restaurant under "Central Hong Kong Café" brand in January 2020, as there is little visibility on the duration and severity of COVID-19 and uncertainty as to when normalcy can return, the management has halted and postponed business expansion plan until year 2021.

The Directors regularly evaluate the Group's business objective and may change or modify plans against the changing market conditions to ascertain the business growth of the Group. Accordingly, we will make further announcement as and when necessary if there is any such change or modification of plans.





## COMPARISON OF BUSINESS OBJECTIVES WITH ACTUAL BUSINESS PROGRESS

The following is a comparison of the Group's business plan as set out in the Prospectus with actual business progress up to 30 September 2020.

Business objectives as set out in the Prospectus	Actual implementation plan up to 30 September 2020
Continue to expand our dining operations in Singapore	<p>The renovation works for the new restaurant under "MASA by Black Society" brand was completed and commenced operation on 22 June 2019.</p> <p>The renovation works of the second new restaurant under "MASA by Black Society" brand was completed and commenced operation on 22 July 2019.</p> <p>The Group has confirmed a new location to open new restaurant under "Central Hong Kong Café" brand in January 2020, before the COVID-19 outbreak in Singapore. Due to the unprecedented impact of COVID-19 leading to a highly difficult business environment, the management has negotiated with the landlord to withdraw the booking of the premises. The opening of new restaurant to be postponed until year 2021.</p>
Setting up new head office and enhance our workforce	<p>The renovation of the new office was completed in early January 2020, all head office staff have started working in the new office since mid of January 2020.</p> <p>The Group will continue to employ additional staff in headquarter to improve efficiency of administrative functions.</p>
Further enhance our brand recognition in Singapore and Malaysia	<p>The Group has fully utilised the funds on marketing activities and brand exposure campaigns. Nevertheless, the management will continue working with marketing consultants towards marketing and advertising activities.</p>
Upgrade our information technology systems	<p>The Group has fully utilised the funds on the point-of-sale and CCTV systems in our restaurants and bakery outlets.</p>

## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at the date of this report, the interests and short positions of the Directors and chief executive of the Company or any of their respective associates in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong) (the "SFO")) as recorded in the register required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

### Long position in the Shares as at 30 September 2020:

Name of Director/Chief Executive	Capacity/ Nature of interest	Shares held as at 30 September 2020	
		Number of underlying Shares	Approximate percentage
Ms. Low Yeun Ching @Kelly Tan <sup>(1)</sup>	Beneficial interest	282,000,000 ordinary Shares <sup>(2)</sup>	56.4%

Notes:

- (1) Ms. Low is an executive Director, the chairlady of the Board and the chief executive officer of our Company.
- (2) These Shares are held in long position.

Save as disclosed above, as at 30 September 2020, none of the Directors, chief executive of the Company or their respective associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under Section 352 of the SFO or as otherwise, notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

## DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the section headed "Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures of its Company and its Associated Corporations" above, at no time from the Listing Date to 30 September 2020 was the Company or any of its subsidiaries a party to any arrangement to enable the Directors or chief executive of the Company or their respective spouse or children under 18 years of age to have any right to subscribe for securities of the Company or any of its associated corporations as defined in the SFO or to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

## SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 September 2020, the interests and short positions of substantial shareholders and other persons (other than a Director or chief executive of the Company) in the Shares and underlying Shares which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO or required to be entered in the register maintained by the Company pursuant to Section 336 of the SFO were as follows:

### Long Positions in the Shares as at 30 September 2020:

Name	Capacity/ Nature of interest	Aggregate number of Shares or underlying Shares	Approximate percentage of interest in our Company as at the Date of this report
Bright Honor Investment International Limited ("Bright Honor") <sup>(1)</sup>	Beneficial interest	90,500,000 ordinary Shares <sup>(2)</sup>	18.1%

Notes:

(1) Bright Honor (formerly known as Zhengqi Capital Holdings Limited) is held as to 100% by Mr. Wei Kai.

(2) These Shares are held in long position.

Save as disclosed above, as at 30 September 2020, according to the register of interests required to be kept by the Company under Section 336 of the SFO, there was no other person or corporation (other than the Directors and chief executive of the Company) who had any interest or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 or Part XV of the SFO.

## RELATED PARTY TRANSACTIONS

For the nine months ended 30 September 2020, the Group has not entered into any related party transactions.

## PURCHASE, SALES OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities since the Listing Date and up to 30 September 2020.

## SHARE OPTION SCHEME

The Company conditionally adopted a share option scheme on 4 April 2018 (the "Scheme"). The terms of the Scheme are in accordance with the provisions of Chapter 23 of the GEM Listing Rules. No share option has been granted since the adoption of the Scheme up to 30 September 2020.





## DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct for securities transactions by Directors on terms equivalent to the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the “**Model Code**”). The Company had made specific enquiries with written guidelines in relation to the Model Code to all Directors, and all Directors have confirmed that they complied with the required standards and code of conduct for Directors' securities transactions as set out in the Model Code during the nine months ended 30 September 2020.

## COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company is committed to achieving high standards of corporate governance. The Directors believe that sound and reasonable corporate governance practices are essential for the continuing growth of the Group and for safeguarding and maximising shareholders' interests.

Pursuant to code provision A.2 of the Corporate Governance Code contained in Appendix 15 to the GEM Listing Rules (the “**CG Code**”), the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. However, we do not have a separate chairlady and chief executive officer and Ms. Low currently performs these two roles. Our Board believes that vesting the roles of both chairlady and chief executive officer in the same person has the benefit of ensuring consistent leadership within our Group and enables more effective and efficient overall strategic planning of our Group. Our Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable our Company to make and implement decisions promptly and effectively. Our Board will continue to review and consider splitting the roles of chairlady of our Board and chief executive officer of our Company at a time when it is appropriate and suitable by taking into account the circumstances of our Group as a whole.

Save as disclosed above, the Directors consider that during the nine months ended 30 September 2020 and up to the date of this report, the Company has applied the principles and complied with all the applicable code provisions set out in the CG Code.

## DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN COMPETING BUSINESSES

Save as disclosed in the Prospectus, as at 30 September 2020, each of the Directors, the controlling shareholder and their respective close associates (as defined in the GEM Listing Rules) has confirmed that none of them had an interest in a business (other than those businesses where the Director were appointed as directors to represent the interests of the Company and/or any member of the Group) which are considered to compete or are likely to compete, either directly or indirectly, with the business of the Group.

## INTEREST OF THE COMPLIANCE ADVISER

As notified by the Company's compliance adviser, Messis Capital Limited (“**Messis**”), neither Messis nor any of its directors or employees or close associates had any interest in the share capital of the Company or any member of the Group (including options or rights to subscribe for such securities) or otherwise in relation to the Company which is required to be notified to the Company pursuant to Rule 6A.32 of the GEM Listing Rules (except for the compliance adviser service provided by Messis) as at the date of this report.



## AUDIT COMMITTEE

Pursuant to Rule 5.28 of the GEM Listing Rules, the Company established an audit committee (the “**Audit Committee**”) with written terms of reference aligned with the provision of the code provisions set out in the CG Code. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal control procedures of the Group. As at 30 September 2020, the Audit Committee comprises Mr. Lu King Seng (chairman of the Audit Committee), Mr. Lee Alex Jao Jang and Mr. Lim Yeok Hua, all of whom are independent non-executive Directors. The Audit Committee has reviewed the unaudited third quarterly results of the Group for the nine months ended 30 September 2020. A meeting of the Audit Committee was held with the management of the Company for, amongst other things, reviewing the unaudited third quarterly results of the Group for the nine months ended 30 September 2020.

## DIVIDENDS

The Board did not recommend the payment of any interim dividend for the nine months ended 30 September 2020 (nine months ended 30 September 2019: Nil).

## SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITION AND DISPOSAL

The Group did not have any significant investments, material acquisition or disposal of subsidiaries or associates during the reporting period.

## APPRECIATION

On behalf of the Board, I would like to extend our sincere thanks to our shareholders, business partners and customers for their continuous support to the Group. I would also extend my gratitude and appreciation to all the Directors, management and staff for their hard work and dedication throughout the period.

By Order of the Board  
**JLogo Holdings Limited**  
**LOW Yeun Ching @Kelly Tan**  
*Chairlady and Chief Executive Officer*

13 November 2020, Hong Kong